

# REQUEST FOR APPROVAL OF DIVIDEND FOR STATE CHARTERED CREDIT UNIONS

State of Georgia  
Department of Banking and Finance  
2990 Brandywine Road  
Suite 200  
Atlanta, GA 30341-5565

## INSTRUCTIONS

If the credit union is operating under a written directive that requires dividends be approved by the Department, proceed directly to Parts 2 and 3. Part 1 need not be completed nor submitted.

Otherwise use Part 1 to determine if dividend approval is required under the provisions of O.C.G.A. 7-1-660 or Department Rule 80-2-3-.04.

<b>PART 1</b>	(Determines whether approval is required under of O.C.G.A. 7-1-660 or Rule 80-2-3-.04)
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		Rounded to nearest \$1.00	Acct Code*
1	<b>NET INCOME (Loss) Preceding fiscal year</b>	+	661A
2	<b><u>Dividends on shares</u>, preceding fiscal year (do not include interest on deposits)</b>	+	380
3	<b>NET EARNINGS, preceding fiscal year</b> (Total of Lines 1 + 2 )		
4		X	
5	<b>Multiply Line 3 by .90</b>	=	
6	<b>NET INCOME (LOSS) AFTER payment of Dividends &amp; Interest for Calendar year, including the current dividend period</b>	+	661A
7	<b><u>Dividends and Interest</u> Paid thus far this year</b>	+	380,381
8	<b><u>Dividends and Interest</u> now requested</b> (same as Line 22, Part 3)	+	380,381
9	<b>Total Dividends &amp; Interest</b> Add lines 7 + 8, then insert here ----->	+	
10	<b>Total</b> (Add Line 9 + Line 6)	=	
11	Is Line 9 MORE than Line 5?	YES	Go to Line 12
		NO	Approval Not Required
12	Is Line 9 MORE than Line 10 ?	YES	Approval Required, Complete to Parts 2 & 3
		NO	Approval Not Required

### Notes:

OCGA 7-1-660 Provides, in part, that dividends or interest in excess of 90% of a credit union's net earnings before dividends in the fiscal year preceding the year in which a dividend or interest is proposed shall be approved in writing by the Department prior to payment. Accordingly, it is necessary to add dividends back to net income in order to arrive at net earnings as provided in the code.

Department Rule 80-2-3-.04 provides, in part, that a credit union proposing to pay dividends and interest in excess of 90% of its net earnings for the preceding fiscal year may do so without the prior written approval of the Department; provided, such dividends and interest do not exceed 100% of the estimated net earnings for the period for which such dividends and interest are paid.

\* Cross-references the corresponding Account Code from the NASCUS/NCUA 5300.

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PART 2	INCOME AND EXPENSE (Current Dividend Period Only) For _____ months ended _____, _____	AMOUNT (rounded to nearest \$1.00)	Acct Code*
1	TOTAL INTEREST INCOME	+	115
2a	Dividends on Shares	+	380
2b	Interest, Time / Cert. of Deposit	+	381
2c	Interest on Borrowed Money	+	340
2	TOTAL INTEREST EXPENSE	Total of lines 2a,b,c here ->	350
3	Provision for Loan Losses	-	300
4	NET INTEREST INCOME AFTER PROV FOR LOAN LOSSES	=	116
5	TOTAL NON-INTEREST INCOME	+	117
6	TOTAL NON-INTEREST EXPENSE	-	671
7	NET INCOME (LOSS)	=	661A
8	Transfer to Regular Reserves	-	393
9	NET INCOME (LOSS) After Transfers to Regular Reserves	=	
10	Undivided Earnings, Beginning of Period	+	940
11	Undivided Earnings, End of Period	=	940
12	Regular Reserves, End of Period	+	931
13	Other Reserves, End of Period	+	658
14	Total Reserves	Total of lines 12 + 13 here ->	
15	Total Net Worth (total lines 11 + 14)	=	997
16	Total Assets, End of Period	\$	010

<b>PART 3</b>	<b>CERTIFICATION</b>
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The Board of Directors of the below named credit union, by proper resolution at a meeting held \_\_\_\_\_, \_\_\_\_\_, declared a dividend as set forth below for the \_\_\_\_\_ month period ending \_\_\_\_\_, \_\_\_\_\_. Approval of this action is requested.

20	Regular share accounts ( same Line 2a, above )	\$	
In the spaces below, please indicate the rate(s) currently paid on all share accounts			
Share type	Rate	Share type	Rate
	%		%
	%		%
	%		%
	%		%
21	Interest on Time / Certificate Deposits ( same as Line 2b, above )	\$	
22	Total Dividends and Interest requested (Add Lines 20 + 21)	\$	

<b>For Department Use Only</b>	
Date:	
Approved	Disapproved
By:	

Name of Credit Union
Location (City)
Signature of President or Secretary
Date (    ) Phone (    ) Fax